

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION

FILED
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U.S. DISTRICT COURT
SOUTHERN DIST. OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA

:

Case No:

Plaintiff

:

JUDGE

FROST

vs.

:

18 U.S.C. §1347

18 U.S.C. §2

JEFFREY R. SHOPE

:

:

Defendants.

:

INFORMATION

THE UNITED STATES ATTORNEY CHARGES:

I. INTRODUCTION

At all relevant times to this Information, unless otherwise alleged:

1. Defendant JEFFREY R. SHOPE (Defendant SHOPE) was a licensed chiropractor and owner of True Health Chiropractic (True Health) located at 2511 West Shrock Road, Westerville, Ohio 43081.

2. Between January 1, 2009 and December 2012, a majority of patients treated by Defendant SHOPE at True Health were individuals who suffered injuries as the result of work or automobile related accidents. Common chiropractic services billed for by True Health and Defendant SHOPE included spinal adjustments, electrical stimulation, neuromuscular reeducation, therapeutic exercises and myofascial release (manual manipulation).

3. In order to assist with patient care, True Health employed additional chiropractors and medical assistants and partnered with a licensed massage therapist to provide massage therapies to True Health patients. He, in turn, hired several massage therapists to assist him with providing massage related services.

4. In order to receive payment for services, Defendant SHOPE through True Health submitted claims to several federal health care benefit programs including United Health Care (UHC), Aetna and the Ohio Bureau of Workers' Compensation (BWC).

II. VICTIM HEALTH CARE PROGRAMS

A. The Ohio Bureau of Workers Compensation (BWC)

5. Ohio Bureau of Workers' Compensation (BWC) is a public "no fault" insurance system that compensates employees for work related injuries or illnesses. Currently BWC provides insurance to approximately two-thirds of Ohio's work force. Employees not covered directly by BWC receive coverage through their employers. These companies are part of a self-insurance program for large and financially stable employers who meet strict qualifications set by BWC.

6. BWC manages all medical and lost-time claims, initiates coverage and determines premium rates and manual classifications. BWC also collects premiums from employers, determines the initial allowance or denial on claim applications, disburses money to pay compensation, and manages the state insurance fund.

7. Providers who are certified with BWC receive a Servicing Provider Number which

allows BWC to identify the provider who rendered the billed services. In addition, each qualified BWC patient receives a claim number to identify the patient as an authorized recipient of health benefits.

8. A provider is able to submit claims for chiropractic services provided they have been certified by BWC and that the services rendered were medically necessary and in compliance with federal and state laws, rules and regulations.

9. BWC was a health care benefit program as the term is defined in 18 U.S.C. §24.

B. Private Insurers

10. In addition to BWC, several private entities, including United Healthcare and Aetna, also provided health insurance coverage to True Health patients. Individuals who received benefits offered by private insurers are referred to as “beneficiaries”.

11. To receive reimbursement from private insurers, medical service providers submit claims for payment of services either directly or through a billing company.

12. Private insurers compensate medical service providers for medical services including chiropractic services that are actually rendered, medically necessary and in compliance with federal and state laws, rules and regulations.

13. Private insurers provide health insurance plans that constitute health care benefit programs as defined by 18 U.S.C. §24(b).

C. Submission of Claims

14. Health care claim forms, both paper and electronic, contain certain patient information and treatment billing codes. The treatment billing codes describe various medical services in the language the providers themselves use. Health care programs have established payment schedules based on the codes billed by the provider. By designating a certain code, the provider certifies to the health care program that a given treatment was actually rendered in compliance with the code requirements and was medically necessary. These treatment billing codes are well known to the medical community, providers, and health care insurance companies

THE HEALTH CARE FRAUD SCHEME

Beginning on or about January 1, 2009 and continuing through December 17, 2012, in the Southern District of Ohio, Defendant SHOPE, unlawfully, willfully, and knowingly made false statements in connection with the delivery of, and payment for, health care benefits, and devised a scheme and artifice to defraud Federal health care benefit programs to obtain money and property by means of false and fraudulent pretenses, representations, and promises.

15. It was part of the scheme that Defendant SHOPE would bill, or would cause to be billed, claims for back braces, tens units, myofascial releases, therapeutic exercises and other chiropractic services that were not reimbursable, not rendered, not rendered fully, or "upcoded" to maximize insurance payments.

16. It was further part of the scheme that Defendant SHOPE through True Health would double bill health care benefit programs by billing two separate programs for identical services provided to the same patients on the same day.

17. Payments to federal health care programs as a result of SHOPE's fraudulent conduct totaled \$ 696,372.52.

COUNT 1
[18 U.S.C. §1347]

18. Paragraphs 1 through 17 of the Information are hereby incorporated by reference as part of this count as if fully set forth herein.

19. On or about January 1, 2009, and continuing to on or about December 17, 2012, in the Southern District of Ohio, Defendant SHOPE, did knowingly and willfully, execute a scheme to defraud health care benefit programs as defined in 18 U.S.C. §24(b), that is Ohio Bureau of Workers' Compensation, United Healthcare, Aetna and other private insurers, in connection with the delivery or payment for health care benefits, items or services by billing or causing bills to be submitted for chiropractic services that were not reimbursable, not rendered not rendered fully, or upcoded to maximize insurance payments.

In violation of 18 U.S.C. §1347 and §2.

CARTER M. STEWART
UNITED STATES ATTORNEY



BRENDA S. SHOEMAKER
Deputy Branch Chief